

**IN THE UNITED STATES DISTRICT COURT FOR  
THE EASTERN DISTRICT OF TEXAS  
TYLER DIVISION**

EIDOS DISPLAY, LLC, EIDOS III, LLC,	§	
	§	Civil Action No.: 6:11-cv-00201
Plaintiffs,	§	JRG (Lead Case)
	§	
vs.	§	
	§	
CHI MEI INNOLUX CORPORATION,	§	Civil Action No.: 6:19-cv-00493
CHI MEI OPTOELECTRONICS USA, INC.,	§	JRG (Member Case)
	§	
Defendants.	§	

**REPLY TO PLAINTIFFS' SUPPLEMENTAL RESPONSE TO STAIRWAY'S  
MOTION TO INTERVENE**

**TO THE HONORABLE DISTRICT JUDGE:**

Proposed Intervenor Stairway Legacy Assets, L.P. (as successor-in-interest to Stairway Capital Management II, L.P.) (“Stairway”) files this Reply to Plaintiffs’ Supplemental Response to Motions to Intervene (Doc. 1029) and respectfully submits the following:

1. Plaintiffs Eidos Display, LLC and Eidos III LLC (collectively “Plaintiffs” or “Eidos”) have announced the withdrawal of their opposition to Stairway’s proposed intervention. Stairway urges the Court to grant the requested intervention and order Stairway to file its proposed Complaint in Intervention, attached as Exhibit 1 to Stairway’s First Amended Motion for Leave to Intervene (Doc. 990).

2. Because Plaintiffs are registered for electronic service of all pleadings filed in this matter and remain parties in this suit, no further service of process upon Plaintiffs appears to be necessary.

3. Stairway has documented its unassailable secured interest in the settlement proceeds now on deposit in the registry of this Court,<sup>1</sup> subordinate only to Ironshore's priority secured interest, and its Complaint in Intervention, as proposed, contains as exhibits the First Stairway Judgment (Doc. 990-1, Exhibit A), the Arbitration Award (Doc. 990-1, Exhibit B), the Loan Agreement (Doc. 990-1, Exhibit C), the Intercreditor Agreement (Doc. 990-1, Exhibit E), and the Second Stairway Judgment (Doc. 990-1, Exhibit F).

4. After allowing for Ironshore's recovery of its share of the available Settlement Proceeds, Stairway's receipt of the available balance will still leave unsatisfied millions of dollars in secured debt held by Stairway against Eidos.<sup>2</sup> The parties have already exhausted all reasonable efforts at mediation and settlement over the course of the more than 10 years Stairway's dispute with Eidos (and their counsel, MLA/Denton's) has been vigorously litigated. Any claims or arguments that Eidos could advance to dispute Stairway's entitlement to these Settlement Proceeds have already been fully adjudicated in Stairway's favor. Stairway's right and entitlement to the balance of the Settlement Proceeds, after Ironshore is made whole, is memorialized in the above-referenced final judgments.

5. Accordingly, rather than require the parties to participate in a mediation, Stairway urges the Court to establish a briefing schedule for the submission of Rule 56 motions so that this suit may be brought to an expeditious close as soon as possible.

**WHEREFORE, PREMISES CONSIDERED,** Stairway respectfully requests that the Court enter an Order granting Stairway leave to intervene in this action and to file its Complaint

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<sup>1</sup> This secured interest extends to any amount of funds not withheld as taxes from the \$7 million which was previously tendered to the Taiwanese Taxing Authority and which funds are subsequently returned to Eidos.

<sup>2</sup> As of March 6, 2023, and after allowing for all lawful offsets and credits, Stairway's security interest in the Eidos settlement will total no less than \$49,502,000.00. Ironshore asserts that the value of its priority security interest in the Eidos settlement, as of March 6, 2023, will exceed \$18.25 million.

in Intervention, and that following a final hearing this Court enter final judgment in favor of Stairway and against Eidos providing Stairway recovery of all sums due Stairway from Eidos, and such other and further relief, at law or in equity, to which Stairway may be justly entitled.

Dated: June 23, 2023

Respectfully submitted,

/s/ James W. Walker

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**ATTORNEYS FOR PROPOSED  
INTERVENOR STAIRWAY  
LEGACY ASSETS, L.P.**

**CERTIFICATE OF SERVICE**

I hereby certify that on this 23<sup>rd</sup> day of June 2023, a true and correct copy of the foregoing document has been served on all counsel of record in accordance with the Federal Rules of Civil Procedure, via the Court's ECF File and Serve System.

/s/ James W. Walker

James W. Walker